STATE OF VERMONT PUBLIC SERVICE BOARD

Docket No. 7970

Petition of Vermont Gas Systems, Inc. for a)
certificate of public good, pursuant to 30 V.S.A.)
§ 248, authorizing the construction of the)
"Addison Natural Gas Project" consisting of)
approximately 43 miles of new natural gas)
transmission pipeline in Chittenden and)
Addison Counties, approximately 5 miles of)
new distribution mainlines in Addison County,)
together with three new gate stations in)
Williston, New Haven and Middlebury,)
Vermont)

Order entered: 8/7/2015

ORDER RE: REQUEST FOR A SECOND NON-SUBSTANTIAL CHANGE DETERMINATION I. INTRODUCTION

In this Order, the Vermont Public Service Board ("Board") grants the request filed on July 9, 2015, by Vermont Gas Systems, Inc. ("VGS" or the "Company") for a determination that a certain proposed change to the natural gas transmission pipeline (the "Project") approved for construction in this Docket does not constitute a substantial change to the Project.

II. BACKGROUND

On December 23, 2013, the Board issued an Order granting a Certificate of Public Good ("CPG") to VGS authorizing the construction and operation of the Project.

On April 3, 2015, VGS filed a request that the Board find that certain proposed modifications related to construction practices to be used at five sites along the route of the Project did not constitute a substantial change to the Project. The Board approved that request on June 12, 2015.¹

^{1.} See Order Re: Request for Non-Substantial Change Determination, Docket No. 7970, Order of 6/12/15 at 5.

On July 9, 2015, VGS filed a second request that the Board find that a proposed relocation of mainline valve 1 ("MLV-1") to a different location on the same parcel of land does not constitute a substantial change to the Project (the "VGS Request").² The VGS Request included a non-substantial change summary memorandum with supporting attachments documenting the proposed change.

On July 15, 2015, the Board issued an Order providing that parties could comment on the proposed change by July 24, 2015.

On July, 22, 2015, the Vermont Agency of Natural Resources ("ANR") submitted a letter advising that ANR staff had reviewed the VGS Request and had no concerns with the request and that, accordingly, ANR did not object to the VGS Request.

On July 24, 2015, the Vermont Department of Public Service (the "Department" or "DPS") filed a letter advising that it agreed that the requested change was non-substantial, and that the Department supported the VGS Request.

On July 30, 2015, VGS filed a proposed order on the non-substantial change determination. VGS indicated that it was authorized to advise the Board that the DPS concurred with the proposed order.

III. Non-Substantial Change Determination

Board Rule 5.408 states:

An amendment to a certificate of public good for construction of generation or transmission facilities, issued under 30 V.S.A. § 248, shall be required for a substantial change in the approved proposal. For the purpose of this subsection, a substantial change is one that has the potential for significant impact with respect to any of the criteria of Section 248(b) or on the general good of the state under Section 248(a).

Additionally, the Project's CPG requires that:

Construction, operation, and maintenance of the proposed Project shall be in accordance with the plans and evidence as submitted in this proceeding. Any material deviation from these plans or a substantial change to the Project must be

^{2.} VGS represents that the proposed change to MLV-1 was not included in its April 3rd filing as the Company had not yet fully reviewed the relocation with the affected landowner, Chittenden Solid Waste District ("CSWD"). VGS now has CSWD's concurrence for the proposed relocation of MLV-1.

approved by the Board.³

The proposed change involves the relocation of MLV-1 approximately 1,000 feet to the east-northeast of the location initially approved in the CPG on the same parcel of land. As originally designed, MLV-1 was in close proximity to both Redmond Road and overhead electric distribution lines. While there are no code restrictions preventing MLV-1 from being constructed where it was initially located, VGS proposes relocating MLV-1 so the valve will not be proximate to the electric lines and will be farther from the road. This change will remove a potential risk factor during construction as well as the on-going operation and maintenance of both the natural gas and electric systems.

MLV-1 will continue to be located on land owned by CSWD at Redmond Road in Williston, Vermont, on the segment of the Project between the Colchester tie-in and the Williston Gate Station. The now proposed MLV-1 location is situated within an area containing existing commercial and industrial activities. No additional tree clearing or earth disturbance outside the previously permitted corridor will be required, and access to the MLV-1 site will be from Redmond Road, along the Project corridor, with no additional access roads required.

The Company has represented that the proposed modification to the Project will not have a significant impact under the applicable Section 248 criteria. VGS has also advised that the cost estimate for the Project of approximately \$154 million does not need to be modified for the proposed change to MLV-1.⁴

Specifically, VGS has represented through a Natural Resource Assessment Memorandum that the Project change will not have a significant impact on any of the Section 248 natural resource or cultural and historic resource criteria.⁵ That memorandum concludes that "the proposed Project change does not result in any change in impacts to the criteria that we have evaluated, nor to our conclusions that the Project conforms with these natural and cultural resources criteria, to which the Board must give due consideration." In addition, the memorandum notes that the collateral permits for the Project "remain valid and we do not believe

^{3.} Petition of Vermont Gas Systems, Inc., Docket 7970, Certificate of Public Good, 12/23/13.

^{4.} VGS Request Attachment 1.

^{5.} VGS Request Attachment 2.

^{6.} Id. at 2.

that any amendments to these permits are required related to this Project Change."⁷ ANR has advised that it has no concerns with the proposed change and does not object to the Company's request.⁸

Finally, based on the Aesthetic Review Memorandum,⁹ the Company has represented that the Project change will not have a significant impact on the Section 248 aesthetics criterion. This memorandum concludes that the proposed location for MLV-1 will be compatible with existing "industrial uses," "will result in less visibility of natural gas infrastructure from public roads," and "will not result in adverse impacts." This conclusion was confirmed by the aesthetics consultant for the Department, who summarized that the relocation poses no additional aesthetic impacts and, in fact, may be a better location given that it will no longer be proximate to and visible from Redmond Road.¹¹

Therefore, based on the Company's representations in its memoranda, the support of the Department, the non-objection of ANR, and the lack of other comments, we find that VGS's proposed change to the Project does not have the potential to create significant impact under the Section 248 criteria. Accordingly, we will not require that VGS file for an amendment to its CPG to seek approval for the change described in the VGS Request. We condition this conclusion on the Company obtaining any required permit amendments, prior to construction, within the area of the Project to be affected by the Project change.

Furthermore, because the Project's CPG requires that construction of the Project be done in accordance with the plans and evidence submitted, we hereby admit into the record in this Docket the revised plans submitted in support of the VGS Request.

SO ORDERED.

^{7.} *Id*.

^{8.} Letter from Catherine Gjessing, Esq., to Susan M. Hudson, Clerk of the Board, dated July 22, 2015.

^{9.} VGS Request Attachment 3.

^{10.} *Id*.

^{11.} Letter from Louise C. Porter, Esq., to Susan M. Hudson, Clerk of the Board, dated July 24, 2015.

Dated at Montpelier, Vermont, this7 th day of August	, 2015.
s/James Volz) Public Service
s/Margaret Cheney) BOARD
s/Sarah Hofmann	of Vermont)

OFFICE OF THE CLERK

FILED: August 7, 2015

ATTEST: s/Susan M. Hudson
Clerk of the Board

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@vermont.gov)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and Order.